

- **This schedule must be completed prior to completing Form 37-S or Form 37**
- **Attach this schedule to Form 37-S or Form 37**
- **Please make a copy of this schedule for your records**

Name(s): _____ Social Security Number: _____

If you moved into or out of North Dakota during 1997, enter dates you were a resident of North Dakota -

From: _____ To: _____

Column A — Complete this column first by entering the amounts from your Federal return.

Column B — Complete this column next according to the specific line instructions found on page 10.

Column C — Complete this column last by entering the amounts from Column A that are not reportable to North Dakota.

| Please Read The Instructions On Page 10 Before Completing This Schedule. | | COLUMN A FEDERAL RETURN | COLUMN B NORTH DAKOTA SOURCES | COLUMN C NON-NORTH DAKOTA SOURCES |
|--|----|-------------------------------|-------------------------------------|---|
| 1. Wages, salaries, tips, etc. | 1 | | | |
| 2. Taxable interest (Schedule B, if required) | 2 | | | |
| 3. Dividend income (Schedule B, if required) | 3 | | | |
| 4. Taxable refunds, credits, or offsets of state and local income taxes | 4 | | | |
| 5. Alimony received | 5 | | | |
| 6. Business income or (loss) (Schedule C or C-EZ) | 6 | | | |
| 7. Capital gain or (loss) (Schedule D) | 7 | | | |
| 8. Other gains or (losses) (Form 4797) | 8 | | | |
| 9. Taxable amount of IRA distributions | 9 | | | |
| 10. Taxable amount of pensions and annuities | 10 | | | |
| 11. Rental real estate, royalties, partnerships, S corporations, estates, trusts, etc. (Schedule E) | 11 | | | |
| 12. Farm income or (loss) (Schedule F) | 12 | | | |
| 13. Unemployment compensation | 13 | | | |
| 14. Taxable amount of social security benefits | 14 | | | |
| 15. Other income | 15 | | | |
| 16. Total income (Add Lines 1 through 15) | 16 | | | |
| Adjustments to Income | | | | |
| 17. IRA deduction | 17 | | | |
| 18. Medical savings account deduction (Form 8853) | 18 | | | |
| 19. Moving Expenses (Form 3903 or 3903-F) | 19 | | | |
| 20. One-half of self-employment tax | 20 | | | |
| 21. Self-employed health insurance deduction | 21 | | | |
| 22. Keogh and self-employed SEP and SIMPLE plans | 22 | | | |
| 23. Penalty on early withdrawal of savings | 23 | | | |
| 24. Alimony paid | 24 | | | |
| 25. Total adjustments (Add Lines 17 through 24) | 25 | | | |
| | | | | |
| 26. Adjusted gross income (Line 16 less Line 25) | 26 | | | |

**Instructions For Transferring Information From
Schedule NR To Either Form 37-S Or Form 37:**

If you file Form 37-S:

Enter the amount from line 26, Column C on line 4, Form 37-S. However, if the amount on line 26, Column C is less than zero AND the amount on line 26, Column B is greater than zero, do not make an entry on line 4, Form 37-S; instead, you must contact the Office of State Tax Commissioner to obtain Schedule 7 which must be completed before completing Form 37-S.

If you file Form 37:

- Enter the amount from line 26, Column A on line 1, Column A, Schedule 3, Form 37.
- Enter the amount from line 26, Column B on line 1, Column B, Schedule 3, Form 37.

Instructions For Schedule NR

If you are required to file as a nonresident (because you were a nonresident of North Dakota for the entire year or you moved out of North Dakota during the year), or if you moved into North Dakota during the year and elect to file as a nonresident, you must complete Schedule NR before completing either Form 37-S or Form 37. Schedule NR is used to determine the part of your Federal adjusted gross income that is reportable to North Dakota. Attach Schedule NR to your North Dakota return.

- First, complete **Column A** by entering the amounts from your Federal return on the appropriate lines of Schedule NR.
- Second, complete **Column B** according to the specific instructions below.
- Third, complete **Column C** by entering the portion of the amounts from Column A that are not reportable to North Dakota.

IMPORTANT: THE INSTRUCTIONS TO LINES 1 THROUGH 24 APPLY ONLY TO COLUMN B.

Line 1. Enter wages, salaries, tips, commissions, bonuses, and other forms of compensation received for services performed in North Dakota. Also, if you moved into or out of North Dakota during the year, enter compensation received for work performed outside North Dakota during the period of North Dakota residence.

Minnesota or Montana residents. Do not enter in Column B compensation that qualifies for reciprocity treatment; instead, enter it in Column C. See page 3 of this booklet for more information.

Interstate commerce employees. If you performed regularly assigned duties in more than one state for a railroad or other interstate motor carrier (as defined by Federal law in 49 U.S.C. 11504), and you were a nonresident of North Dakota for the entire tax year, do not enter compensation for duties performed in North Dakota; however, if you moved into or out of North Dakota during the year, enter compensation received during the period of North Dakota residence.

Lines 2 through 5. If you separately reported on your Federal return any interest and/or dividend income from a partnership or Subchapter S corporation doing business in North Dakota, enter your share of this income that is allocated and apportioned to North Dakota by the partnership (on North Dakota Form 58) or the Subchapter S corporation (on North Dakota Form 60).

Except for interest and dividend income described above, if you were a nonresident of North Dakota for the entire year, do not make an entry on these lines; however, if you moved into or out of North Dakota during the year, enter interest (except interest on U.S. obligations) and dividends received during the period of North Dakota residence.

Line 6. If you operated a business entirely within North Dakota, enter the entire net income or loss. If you operated a business within and without North Dakota, enter the net income or loss attributable to North Dakota.

Lines 7 and 8. Enter net gains or losses from sales or exchanges of *tangible* property located in North Dakota. Also, if you moved into or out of North Dakota during the year, enter net gains or losses from sales or exchanges of *tangible* property located outside North Dakota where the recognition of the gain or loss for tax purposes occurs during the period of North Dakota residence.

Enter net gains or losses from sales or exchanges of *intangible* property used in a trade or business operated in North Dakota. Also, if you moved into or out of North Dakota during the year, enter all net gains or losses from sales or exchanges of *intangible* property where the recognition of the gain or loss for tax purposes occurs during the period of residence.

If you separately reported on your Federal return any net gain or loss from a partnership or Subchapter S corporation doing business in North Dakota, enter your share of the net gain or loss allocated and apportioned to North Dakota by the partnership (on North Dakota Form 58) or the Subchapter S corporation (on North Dakota Form 60).

Lines 9 and 10. If you were a nonresident of North Dakota for the entire year, do not make an entry on these lines. However, if you moved into or out of North Dakota during the year, enter the amount received during the period of North Dakota residence.

Line 11. Enter net income or loss from leasing tangible property located in North Dakota, and net income or loss from an interest in oil, coal, or other

mineral property located in North Dakota. Also, if you moved into or out of North Dakota during the year, enter net income or loss derived from all lease or mineral property (regardless of the location of the property) during the period of North Dakota residence.

If you own an interest in a partnership or Subchapter S corporation that operates entirely within North Dakota, enter your entire share of the ordinary income or loss. If you own an interest in a multistate partnership or Subchapter S corporation, enter your share of the ordinary income or loss allocated and apportioned to North Dakota by the partnership (on North Dakota Form 58) or the Subchapter S corporation (on North Dakota Form 60).

If you are a beneficiary of an estate or trust that derived income from North Dakota sources, enter your share of the North Dakota income received from the estate or trust; however, do not include interest, dividends, pensions, or annuities. Also, if you moved into or out of North Dakota during the year, enter your share of all income (except interest on U.S. obligations) received from the estate or trust during the period of North Dakota residence.

Note: Attach a schedule separately identifying each source of North Dakota income, the general location of rental or mineral property located in North Dakota, and the name and federal identification number of each partnership, Subchapter S corporation, estate or trust doing business in or having income from North Dakota sources.

Line 12. If you operated a farm or ranch entirely within North Dakota, enter the entire net income or loss. If you operated a farm or ranch partly within North Dakota, enter the net income or loss attributable to North Dakota.

Line 13. Enter amount received from North Dakota. Also, if you moved into or out of North Dakota during the year, enter the amount received from sources outside North Dakota during the period of North Dakota residence.

Line 14. If you were a nonresident of North Dakota for the entire tax year, do not make an entry on this line. However, if you moved into or out of North Dakota during the year and you received social security benefits during the period of North Dakota residence, divide the taxable part of your social security benefits (on your Federal return) by the total social security benefits (on your Federal return) to compute the percentage of your social security benefits that are taxable. Multiply the percentage times the total social security benefits received during the period of North Dakota residence and enter the result.

Line 15. Enter the portion of any other income which has its source in North Dakota. Include income from gambling in North Dakota. Also, if you moved into or out of North Dakota during the tax year, enter any income received from sources outside North Dakota during the period of North Dakota residence.

Lines 17 through 24. Enter amounts directly related to North Dakota income. An IRA or medical savings account deduction must be based on the ratio of North Dakota earned income to total earned income. If you moved into North Dakota during the year, enter the amount of your moving expenses; however, if you were a nonresident of North Dakota for the entire year or you moved out of North Dakota during the year, do not enter your moving expenses. A deduction for self-employment tax, self-employed health insurance premiums, and Keogh and SEP contributions must be based on the ratio of North Dakota self-employment income to total self-employment income. A deduction for penalty on early withdrawal is allowed only if the related interest income is reported to North Dakota. A deduction for alimony is allowed for the portion paid during the period of North Dakota residence, if applicable.

Line 26. The amount in Column A must equal your Federal adjusted gross income. The amounts in Columns B and C must add up to Column A.

If you file Form 37-S, enter the amount from Column C, Schedule NR, on line 4, Form 37-S. However, if the amount in Column C is less than zero AND the amount in Column B is greater than zero, do not make an entry on line 4, Form 37-S; instead, you must contact the Office of State Tax Commissioner to obtain Schedule 7 which must be completed before completing Form 37-S.

If you file Form 37, enter the amount from Column A, Schedule NR, on line 1, Column A, Schedule 3, Form 37. Enter the amount from Column B, Schedule NR, on line 1, Column B, Schedule 3, Form 37.